



# Direct Deposit and Electronic Salary Statement Policy and Procedure Information for New Employees (Agency Instruction)

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## **POLICY INFORMATION:**

Effective January 1, 2013, the Personnel Cabinet requires that all newly appointed or rehired executive branch employees paid through the Kentucky Human Resources Information System (KHRIS) shall be paid through direct deposit, in lieu of receiving a printed checkstub, and must utilize Employee Self-Service (ESS) to access their electronic salary statement. To be exempted from this policy, a waiver must be requested, submitted and approved by the Personnel Cabinet's Department of Human Resources Administration's Commissioner's Office. (See below.) Those exempted from this policy include county fees, day laborers, personal service contractors and state active duty.

The purpose of this policy is to set requirements for new employees paid through KHRIS to utilize direct deposit for receipt of their pay and ESS for access to their salary statements. This policy is a first step towards maximizing the utilization of electronic payments and minimizing the number of paper checks and stubs issued by the State.

The issuance of paper checks and stubs involves a cost for purchasing, processing and distributing checks and stubs. The use of direct deposit and ESS results in efficiencies for the State and provides employees with a reliable and efficient manner of receiving their pay. Cost savings to the state are realized by reducing operating and processing costs. Direct deposit provides employees convenience, as funds are available to the employee on payday regardless of vacation, illness, or inclement weather, and security, by eliminating the risk of lost or stolen checks and by providing enhanced confidentiality of payroll information. ,

This new policy is a result of the Smart Government Initiative (SGI).

## **PROCEDURE INFORMATION:**

The following steps should be taken in the appropriate scenario to implement this new policy.

### **New Hires/Rehires:**

The agency is responsible for presenting the employee with the following documentation regarding this policy during the onboarding process:

- [Direct Deposit and Electronic Salary Statement Policy Information](#)
- [Direct Deposit and Electronic Salary Statement Employee Agreement](#) (write-in deadline to enroll based on current KHRIS Operations Calendar)
- [Direct Deposit Information and Enrollment Instructions](#)
  - [Direct Deposit Enrollment Form](#)
- [Direct Deposit – Answers to Frequently Asked Questions](#)
- [Direct Deposit and Electronic Salary Statement Hardship: Request for Waiver to be Exempted from Policy](#)
- [Instructions for Accessing Your Electronic Salary Statement via ESS](#)

Unless a waiver to be exempted from this policy has been requested and approved, it is the responsibility of the agency to: 1) Enter the employee's direct deposit information based on the completed [Direct Deposit Enrollment Form](#) and turn-off the 'checkstub print' feature, or 2) Ensure that the employee has elected Direct Deposit via ESS and has also turned off the 'checkstub print' feature, before pre-payroll runs for the first pay period in which the employee should be paid. This process should be documented at the bottom of the [Direct Deposit and Electronic Salary Statement Employee Agreement](#).

In addition to the above processes, the Personnel Cabinet will also notify job seekers during the application process through the Career Opportunities System (COS) and on other multiple pages of the Personnel Cabinet's website as well as the Employee Handbook.

**WAIVERS:**

Employees who feel they have cause to request a waiver due to a hardship inflicted by this policy must do so by completing and submitting the Direct Deposit and Electronic Salary Statement Hardship: Request for Waiver to be Exempted from Policy, through the agency HR Executive, within three (3) days of hire. Waiver requests will only be granted at the discretion of the Commissioner of the Department of Human Resources Administration based upon the evidence required and provided by the requesting employee, after initial approval and evidence validation is provided by the Agency HR Executive.

Responses to requests will be provided to the requesting employee's agency HR Executive for processing and employee notification.

If additional information is needed after reviewing the accompanying documents (specifically the Direct Deposit-Answer to Frequently Asked Questions document) please email your questions to [PERS.DEMdirector@ky.gov](mailto:PERS.DEMdirector@ky.gov).